

# The Pacific Commercial Advertiser

U. S. WEATHER BUREAU, SEPT. 13. Last 24 hours' rainfall, trace.  
Temperature, Max. 84; Min. 75. Weather, fair.



ESTABLISHED JULY 2 1856

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HONOLULU, HAWAII TERRITORY, THURSDAY, SEPTEMBER 14, 1905.

PRICE FIVE CENTS.

## WOULD TAKE BOND ISSUE

**Hawaiian Trust Co's  
Advantageous  
Offer.**

Mr. Galt stated to an Advertiser man yesterday that the Hawaiian Trust Co. has made a verbal offer to the Territory, which it will willingly confirm in writing at any time, that it is ready and willing to purchase any amount of Territorial government bonds bearing 3-1-2 per cent at 98.

It is well known that there is little probability of the Territorial government beginning to redeem its bonds for some time to come. Under the Organic Act Territorial government bonds must provide for redemption in not less than five years and not more than twenty years.

"The question is," said Mr. Galt, "is it not going to be advisable for our government to issue 3-1-2 instead of 4 per cent bonds even if it has to sell 3-1-2 per cent bonds at a discount of 2 per cent? In five years time a 4 per cent bond sold at 101 13-100 will net 3 3-4 per cent per annum. In the same time a 3-1-2 per cent bond sold at 98 2-10, which is approximately 98, will net 3-10 per cent per annum.

"Consequently it would be to the advantage of the government to sell bonds at 3-1-2 per cent even if they were sold at 98, for the following reasons:

"Before any of these bonds are redeemed by the government the interest will be in favor of the territory.

"If we can once sell 3-1-2 per cent bonds and establish that rate of interest, there is little doubt that future sales can be made at the same rate of interest at par, if not at a premium.

"I believe, in the event of an issue of Territorial bonds being made at a low rate of interest, that it would be necessary to advertise for bids, regardless of the above offer made by the Hawaiian Trust Co., and am of the opinion that a 3-1-2 per cent bond could be sold at par."

It is going to be necessary for the Territory to make a further bond issue in order that government work may be carried on.

When Governor Carter as secretary of the territory went to New York to float the first issue of \$1,000,000 Territorial bonds, he was authorized to sell, if necessary at a discount of 2 per cent and the bonds were to bear not more than five per cent interest.

When he got there and went into the matter, through friends and influence, he arranged to float those bonds at 4 1-2 per cent and sold at a little over par.

The following year another million was issued bearing 4 1-4 per cent and these bonds were sold at a slightly higher figure than was the case with the first issue.

When J. R. Galt, treasurer of the Hawaiian Trust Co., was in New York early this year on a business trip he found that it would be possible to refund all the outstanding Territorial 5 per cent bonds amounting to over \$800,000 and which at that time were redeemable with the 4 per cent bonds and to sell them at par. That means a saving of 1 per cent or over \$8,000 per year on the total outstanding 5 per cent bonds.

Galt immediately cabled the government officials here and secured through the Hawaiian Trust Co.'s correspondents, the United States Mortgage and Trust Co. in New York, without any charge to the government here, an opinion from Dillon & Hubbard covering condensed details of the proper legal form in which the Hawaiian legislature should pass a bill covering the refunding of these 5 per cent bonds. This opinion was, through the courtesy of the United States Mortgage and Trust Co., cabled to the local government.

Judge Dillon, who assisted in rendering the opinion, stands higher than any attorney in the United States as regards an opinion on the issue of government bonds.

As everybody knows, the final outcome of the matter was that the 5 per cent bonds were refunded with the 4 per cent bonds and were purchased by W. G. Irwin at a premium of considerably over 1 per cent.

This goes to show how the credit standing of the Territory has been improving and increasing in the East. Where a start was made to float a 5 per cent issue the Territory has succeeded in selling its bonds bearing interest at 4-1-2 per cent, then 4-1-4 per cent and finally 4 per cent.

In this connection Calvert Brewer, secretary of the United States Mortgage & Trust Co. will arrive here on the 27th inst. remaining here a week before proceeding to Japan.

There has been a great deal of interest evinced as to why such concerns as the United States Mortgage & Trust Co. should step in, in so apparently simple a proceeding as a local bond flotation. This firm underwrites the bonds which would find difficulty of sale if the underwriters' guarantee were not attached, for there would then be no ready way of knowing if the signatures on the bonds were genuine or otherwise.

## HONOLULU JAPS LEAD

**Not a Japanese in Hilo  
Gains a Farrier's  
License.**

While a commotion among the Japanese at Hilo has been caused by the enforcement of the Farriers' Inspection Act—to give it a euphonic title—there is not likely to be any great uproar over the results of the law's operation in Honolulu. For, whereas no Japanese candidate for a horseshoer's diploma in Hilo graduated, President Charlie Wilson of the Honolulu Farriers' University will probably be able to furnish a graduating list of forty or forty-five per cent of the class comprising Japanese and natives.

Last week's Hilo Tribune has a long story beginning with a statement that the Japanese press is much exercised over the enforcement by Sheriff Keolanui of the law regulating the business of farriers and horseshoers, which provides for an examination and \$5 for a license fee.

It is related that not one Japanese out of the sixteen examined by the Hilo board had passed. Sheriff Keolanui, John O'Rourke and K. Kelli, kahe constituted the examining faculty. Mr. O'Rourke showed the Tribune reporter the work done, it being all tagged, by the Japanese candidates and, according to the description, the horse or mule that wore the shoes would stand to be pined. There was not a pair in the bunch, let alone a set of four, that would match.

It was stated—as it had been in Honolulu—that the Japanese generally use readymade shoes that either hit or miss. Mr. O'Rourke demonstrated his own expertness by fashioning a perfect shoe out of raw material in a minute and a half by the clock. Among the points of failure noted against many of the Japanese was that they could not come up to the time limit. As a rule, it is alleged, they showed ignorance of the first principles of the farrier's art.

Professor J. W. McDonald of the Honolulu faculty, on comparing notes with the Hilo professors through the mail is satisfied that Honolulu has much cleverer Japanese at the forge than has Hilo, and with superior knowledge of the anatomy of the horse's foot withal.

## BURGLARY IN COLLEGE HILLS

A burglary was committed yesterday afternoon at the College Hills residence of Miss Greene. Money amounting to about \$190 is said to have been stolen and a white man is suspected of the crime.

Nothing was known of the matter at the police station last night, but Sheriff Brown, on being rung up at his residence, told a reporter that he had been notified by a local attorney that Miss Greene's residence had been burglarized and that he had dispatched Detective Flint to investigate the case. Up to ten o'clock last night he had not reported as to the result of his investigation.

The junior attorney in question would have nothing to say about the matter. Flint, who is an ex-waterfront policeman, was seen with his hands in his pockets at the corner of King and Fort streets last night. He was probably investigating.

It is reported that a burglary was committed a few nights ago on upper Nuuanu street.

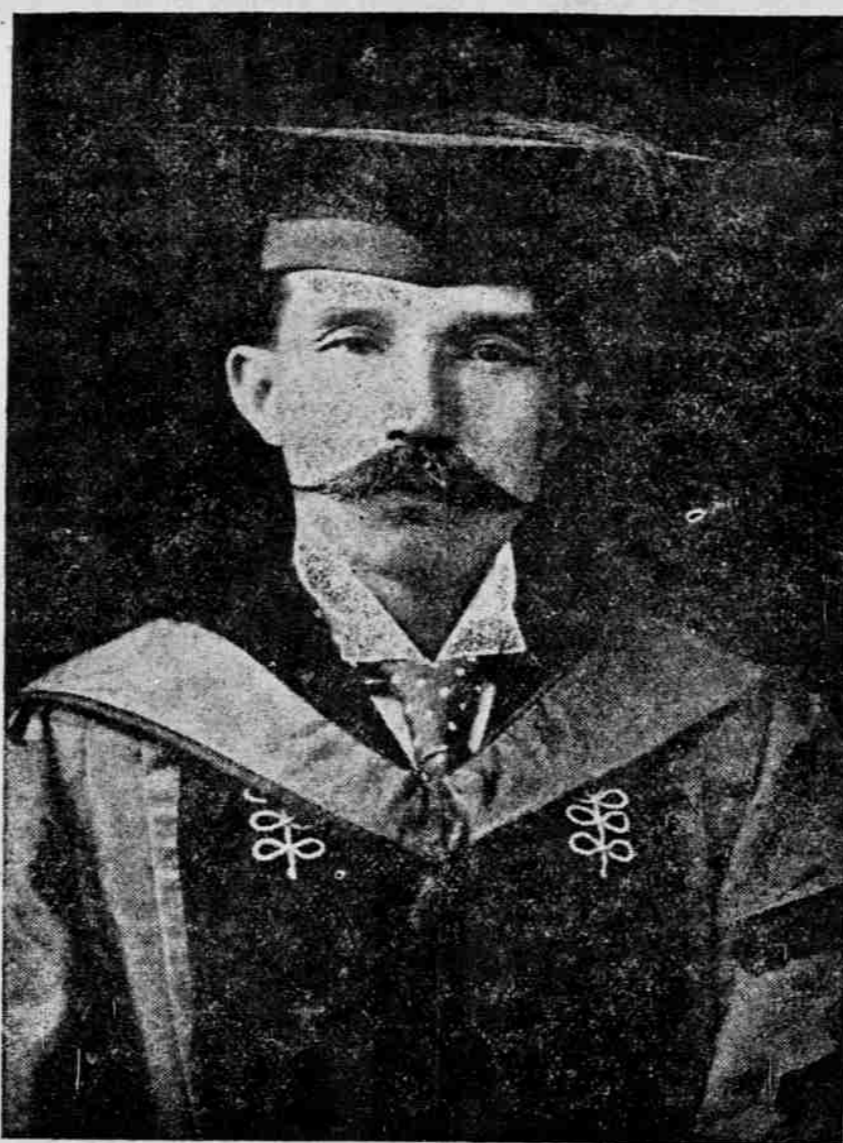
The police know nothing of the matter and Detective Flint is not even investigating.

Burglaries appear to be getting almost as common as gambling in Honolulu and the town's cracksmen are evidently having an innings, secure in the thought that the policeman on the beat is snoozing round the corner and that his be-leled, belaced superiors are doing the Beau Brummel act on Fort or King street and are too wrapped up in the gossip of the hour to give ear or thought to such commonplace incidents as burglaries, hold-ups or assaults.

## AWNING BURNS UP.

At 1:50 o'clock this morning the canvas awning over the second window of Von Hamm-Young Company's store in the Alexander Young Building was discovered by Police Officer Kulike to be on fire. The officer immediately turned on an alarm and then went back to the scene of the blaze and tore down the burning awning. The fire is believed to have been caused by an unextinguished cigar or cigarette stub thrown from a window above. An awning over the same window was similarly destroyed about three months ago.

## JAPAN'S EXPANSION POLICY AS BARON KANEKO SEES IT



BARON KENTARO KANEKO, LL. D.

Formerly Minister of Agriculture and Commerce in Marquis Ito's Cabinet, and now special representative of the Japanese Government in the United States. Photographed in the cap and gown of a Harvard Doctor of Laws.

In a recent interview, Baron Kaneko outlined a part of Japan's future policy as follows. He was asked if Japan had envious eyes on any of the Pacific Islands and said in reply:

"Naturally Japan is now entering into an area of expansion, and if we can prove ourselves worthy of the burden we will be only too glad to take it up. But the expansion will not come toward the north; it will be where commerce and trade demands the open ports of warmer countries."

"Would the Japanese nation as a whole favor any attempt on the part of Japan to obtain control of the Philippines?"

"No, absolutely no."

"Why not?"

"Because Japan had rather see the United States occupying the Philippines than to occupy them herself. This is rather a difficult thing to understand, and I will try to explain it. Right next us on Asia is a point where four great and warlike nations almost abut on our territory. They are France, Germany, Russia and England. These Powers are in a constant state of ferment to obtain control of further territory there. They are all greedy to eat up China. They are all combative nations, always looking for trouble and always ready to make it on the slightest pretext. Now the United States is a far away nation of peaceful inclinations. It never goes to war if it can possibly help it. It is not looking for territorial aggrandizement or expansion. It was against the judgment of the majority of the American people to take the Philippines even. Now this quiet, con-

servative, commercial, peaceful government of the United States is exactly the neutral power that we are only too glad to have as our neighbor to counteract the quarrelsome condition that exists on the other hand. It is better for us to have the United States there than it is to own the islands ourselves."

**VALUE OF THE PHILIPPINES.**

"You do not think the American government was foolish to take the Philippines?"

"Indeed, I do not. It would have been the great mistake of the century had they not taken them. America is primarily a commercial nation, and it is well for your statesmen to realize that now as at any other time. You must have an outlet for your iron and coal, manufactured and food products. Europe is closed to you absolutely. The nations there will not let you in under any circumstances. They are too bitterly set against your bigness and progressiveness. So, as long as the front door is closed, you must get to Asia through the back door. From your Pacific coast ports you have an outlet to the great consuming market of the world, which is Asia. And as stepping stones across the great Pacific you have Guam, Hawaii and the splendid reach of the Philippine Islands for a final resting place. You can not afford to do without the Philippines under any circumstances. But, of course, you will never be able to Americanize the Philippines. The race is too different, too inferior."

"Will Japan ever be able to Japanize China?"

"No, not alone. Although the Chi-

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## SOLDIERS MAKE TRADE FOR LOCAL PAWNBROKER

The Carlo-Pawno Company have the nucleus of a fine band in their little hock shop at the corner of Hotel and Union streets. This is how they got it.

The transport Buford arrived yesterday freighted with soldiers who were bent on having one last, long good time before departing for the "Pizen Philippines."

The only thing that stood in the way of the achievement of their desire was a lack of funds.

It wasn't long before the news got noised abroad aboard the transport that Uncle Carlo and Levy were doing business in the old town and immediately visits to the avuncular relatives were in order.

All last evening the shop with the sign of the three balls did a roaring business and all kinds of merchandise and articles of virtue went up the spout, from gauntlets to field-glasses and from a copy of Hayden's Concordance to a new xylophone.

Musical instruments were in great evidence and among those offered as security were mandolins, cornets, guitars, a trombone and a flageolet.

The dapper Mr. Levy shied at the noisemakers but finally did business in every case.

"all my money shooting craps on the boat and want to make a raise."

"Well, you see, musical instruments are a trifle out of our line," replied Levy. "You can readily understand there's no sale for them and the natives are very particular about playing on second-hand cornets. Why that violin you see on the top of the safe has been lying there for over six months. Then again there's a funny kind of worm here that bores into the metal—"

"What'll you give us?" demanded the soldier. "It cost \$18 in New York."

"I've no doubt it did," said the pawnbroker, but I'm really ashamed to tell you what I could give on that instrument."

"Split it out; what'll you give us?" vociferated the son of Mars.

"I realize, of course, that the cornet is worth more to you than me and if it were mine it would give me to have to part with it. I wish I could see my way clear to let you have \$1000 on it. Now, if \$250 is any good to you—"

"Oh, zwan," exclaimed the soldier, as he put the cornet in the bag and walked out of the shop, "what are yer givin' us?"

"He'll come back," said Levy, "that's an old New York trick, he's just taking a stroll around the block."

And come back he did and when he returned Levy went him half a dollar better and obtained the cornet for the ignoble sum of \$3.

"Say, partner," said the soldier, "what time do yer close? There's a nice drum on the ship—"

But the Carlo pawnbroking establishment had shut its doors for the night.

## WARSHIP SENT TO NICARAGUA

**Will Enforce Fairness--Neutral Zone  
Defined--The Jap Troops  
Quiet Riots.**

(Associated Press Cablegrams.)

WASHINGTON, September 14.—A warship has been dispatched to Nicaragua to convey Minister Merry to the place of trial of Albers, the American who is accused of insulting the President of Nicaragua. The Minister is directed to enforce fairness.

## OYAMA AND LINEVITCH DEFINE NEUTRAL ZONE

LONDON, September 14.—The terms of the armistice agreed upon between Oyama and Linevitch define a neutral zone between the armies.

Reinforcements of either army are prohibited.

All troops en route will be stopped.

Naval operations are not affected by this agreement.

## RIOTING AND INCENDIARISM OCCURS IN YOKOHAMA

YOKOHAMA, September 14.—In the rioting of Tuesday, 5500 people were engaged, and incendiarism was attempted.

The police have made arrests among all classes of people.

Troops have arrived and are guarding many points. The situation is quieter.

## THE FLAGSHIP MIKASA NOT ENTIRELY SUBMERGED

TOKIO, September 14.—The upper guns of the sunken flagship Mikasa are visible at low tide. Three more of the wounded have died.

The newspapers have suspended criticisms of the result of the peace negotiations.

## BENNINGTON COURT-MARTIAL TODAY.

VALLEJO, September 14.—The Bennington court-martial begins today.

## BUNKERS GIVES EVIDENCE.

SACRAMENTO, September 14.—State Senator Bunkers gave states evidence in the trial yesterday of State Senator Emmons, accused of accepting bribes.

## AFTERNOON REPORT.

TOKIO, September 13.—The record of the recent riots shows that nine persons were killed and 788 wounded.

SAN FRANCISCO, September 13.—The Republican League has selected John S. Partridge as its candidate for Mayor. It is hoped to rally around Partridge the better element of all parties and defeat Mayor Schmitz for a third term.

NEW YORK, September 13.—Peace Commissioner Komura is believed to be ill from typhoid fever. His departure has therefore been postponed.

MUKDEN, September 13.—The representatives of Oyama and Linevitch have met to arrange the armistice between the Russian and Japanese armies.

BATAVIA, September 13.—The Dutch have captured Palapo, the island capital of Celebes, and also Prince Loevoe, who has been causing the recent troubles.

OYSTER BAY, September 13.—Baron Rosen, the Russian Ambassador, took lunch today with the President.